OCT 1.8 1999 OFFICE OF AIR

October 8, 1999



A Subsidiary of Cominco American Incorporated

Ms. Anita Frankel
United States Environmental Protection Agency
Region 10.
1200 Sixth Avenue
Seattle, Washington 98101

RE: EPA Review of Cominco Alaska Incorporated (Cominco) PSD Permit

Dear Ms. Frankel:

Cominco has reviewed your letter of September 28, 1999, to Mr. Tom Chapple of the Alaska Department of Environmental Conservation (ADEC) regarding the ongoing air permitting effort for Cominco's Red Dog mine. Cominco offers the following general observations and comments. In addition, Cominco requests a meeting with EPA to discuss, in detail, each concern raised in your letter.

Since the initial permit application submission in June 1998, Cominco has been working very closely with ADEC to provide all of the information necessary for ADEC to thoroughly analyze the project and finalize the permit. Cominco undertook this expensive and time-consuming effort with the understanding that ADEC, through the EPA-approved State Implementation Plan (SIP), has the principal authority and discretion to prepare and issue Prevention of Significant Deterioration (PSD) permits in Alaska. Cominco was disheartened to learn that EPA has interjected itself and disrupted the final stages of the permitting process, even though EPA did not provide comments during the public comment period and did not otherwise contact Cominco to obtain relevant and accurate information. Cominco questions the value of having developed a good working relationship with ADEC if EPA is not, in practice, willing to recognize the authority and discretion given to ADEC through the SIP approval process.

Best Available Control Technology (BACT)

Cominco believes that ADEC acted correctly in determining that the "Low NO_x" modification is BACT for the Wartsila engines, based on a balanced weighing of environmental, energy, and economic considerations. Given EPA's assertion that SCR "has been available since the early 1990's," Cominco questions why EPA has targeted this permit action to dispute whether SCR represents BACT when all other ADEC-approved PSD applications in the 1990's for similar engines have rejected SCR as BACT without objection from EPA. Furthermore, EPA has recently approved Low NOx technology over SCR in several other regional and national decisions.

PSD Applicability to Units MG-1, MG-3, and MG-4

Cominco disagrees with EPA's PSD applicability analysis for units MG-1, MG-3, and MG-4. These units represent the three Wartsila engines that were permitted in 1988 to operate without restriction. These three engines underwent PSD review at that time. None of the changes made at the facility have effected ADEC's intent to allow the full-time operation of three Wartsila engines as permitted in 1988.

PM-10 Increment Concerns for the Roadway

Cominco believes that the compliance demonstration adequately demonstrates that fugitive dust emissions from the roadways will not cause an exceedance on any ambient PM₁₀ standard. Cominco also believes that a fugitive dust control efficiency of 89 percent for the roadways is reasonable based on Cominco's control methodology. Cominco notes that the National Park Service in Alaska has not only praised Cominco's roadway fugitive dust control program but has solicited Cominco's advice for controlling fugitive dust emissions from roadways in Denali National Park.

Ambient Air

The ambient air boundary is not being expanded in this current permit action. The current ambient air boundary is exactly the same boundary EPA knew was used in the 1988 permit action, with two exceptions. First, the worker housing was removed from the area considered to be ambient air in the 1994 permit modification action. EPA did not provide any adverse public comment regarding this change, but did address a letter to ADEC after the close of the public comment period. This letter noted that EPA disagreed with two ADEC-statements in the final Technical Analysis Report. However, the letter did not state that EPA disagreed with ADEC's decision to remove the worker housing from ambient air. Second, the ambient air boundary was extended eastward in 1995 to accommodate planned operations in that area.

Cominco looks forward to discussing these issues in detail with EPA. I will continue to work with ADEC and EPA to finalize meeting arrangements.

Sincerely,

Charlotte L. MacCay

Senior Administrator, Environmental and Regulatory Affairs

cc: Michele Brown ADEC

Charlotte J. Mac Cay

Tom Chapple ADEC John Key CAK

Jim Kulas CAK